

U.S. Application No. 09/868,176  
Attorney Docket No. 72167.000310

**Remarks**

The pending Office Action has been reviewed and its contents carefully considered. Claims 1-41 and 42-47 are pending in the present application. By this amendment, claims 42-47 are added and claims 1, 7, 8, 10 and 25 are amended to recite further novel features of the invention. Claims 42-47 are added to recite further novel features of the present invention.

No new matter has been added by this Amendment.

A. The Examiner Interview of August 31, 2007

Applicant appreciates the courtesies extended to Applicant's representative, James Miner, in the August 31, 2007 telephonic Examiner Interview. Applicant further notes that the scheduled August 30, 2007 personal interview was rescheduled as the August 31 telephonic interview, due to a scheduling conflict with the Examiner.

In the August 31, 2007 telephonic Examiner Interview, various aspects of the patent application, the invention, the pending claims and the applied art were discussed. In particular, the Examiner asserted that certain language of the claims appeared broad in scope to the Examiner. Further, various deficiencies of the rejection and applied art were asserted by Applicant. By this Amendment, the claims are amended, and claims 42-47 are added, to yet further distinguish over the applied art.

B. The 35 U.S.C. 102 Rejection Based on Kolling

In the Office Action, claims 1-40 stand rejected under 35 U.S.C. §102(e) as allegedly being anticipated by Kolling et al (hereinafter Kolling U.S. 5, 920, 847). Applicant respectfully traverses the rejection and requests withdrawal of the same.

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The Office Action sets forth the rejection of claim 1 on page 2. The Office Action asserts that as per claim 1, Kolling discloses a method of processing payment transactions by a financial institution having a plurality of branches, each payment transaction having a destination bank and each payment transaction being capable of being forwarded through a plurality of clearing systems, the method comprising the steps of transmitting the payment transactions from the plurality of branches to a central location within the financial institution; determining, for each payment transaction, an appropriate clearing system which to forward the payment transaction; and forwarding each payment transaction to the determined appropriate clearing system. (note abstract and see column 9 lines 23-38 and column 31 lines 11-53 and column 40 lines 39-67 and column 41 lines 1-67). Applicant traverses these assertions set forth in the Office Action.

In the Abstract, Kolling describes a bill pay system wherein participating consumers pay bills to participating billers through a payment network operating according to preset rules. The participating consumers receive bills from participating billers (paper/mail bills, e-mail notices, implied bills for automatic debits) which indicate an amount, and a unique biller identification number. To authorize a remittance, a consumer transmits to its participating bank a bill pay order indicating a payment date, a payment amount, the consumer's account number with the biller, a source of funds and the biller's biller identification number, either directly or by reference to static data containing those data elements. Kolling teaches that Bank C then submits a payment message to a payment network, and the payment network, which assigns the biller reference numbers, forwards the payment message to the biller's bank. For settlement, the consumer's bank debits the consumer's account and is obligated to a net position with the

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payment network; likewise, the biller's bank receives a net position from the payment network and credits the biller's bank account.

Applicant has reviewed the Office Action comments and the teachings of Kolling vis-à-vis claim 1. For the reasons set forth below, and as discussed in the August 31, 2007 Interview, Applicant respectfully submits that Kolling fails to teach the claimed invention.

In the Office Action, the Examiner cites to various portions of Kolling as allegedly teaching the claimed invention. Claim 1 recites:

1. **A method of processing payment transactions by a financial institution** having a plurality of branches, each payment transaction having a destination bank and each payment transaction being capable of being forwarded through a plurality of clearing systems, the method comprising the steps of:

transmitting the payment transactions from the plurality of branches to a central location within the financial institution, the central location being connected to the plurality of clearing systems;

**determining, by a payment router, for each payment transaction, an appropriate clearing system which to forward the payment transaction;**

forwarding each payment transaction to a flow control module; and  
checking each payment transaction based on parameters of the payment transaction by the flow control module before releasing each payment transaction to the determined appropriate clearing system.

In particular, claim 1 recites a method of processing payment transactions by a **financial institution**, and the associated processing. Kolling fails to teach such method of claim 1, performed by a financial institution, including the feature of "determining, by a payment router, for each payment transaction, an appropriate clearing system which to forward the payment transaction". By such language, claim 1 clearly sets forth a decision process, i.e., to determine which is the appropriate clearing system. This decision process is performed for each payment transaction by a payment router. Applicant has reviewed Kolling for such teachings, and in particular has reviewed the various teachings cited in the

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rejection of claim 1, as set forth in the Office Action. Applicant submits that Kolling fails to teach such decision process.

For example, in column 9, lines 23-37, which is part of the Background of the Invention, Kolling describes:

In a second variation, instead of a check from Bank C cleared through Bank S to credit S's account 70, **S has Bank S submit a debit to C's account 22** through the Automated Clearing House ("ACH") (see FIG. 3 and accompanying text). In a third variation, in place of arrows 12-17, ("check and list"), **S may send A/R data and a credit to biller B** through one path of: i) Bank S to ACH to Bank B to biller B or ii) MasterCard's RPS (Remittance Processing System) to Bank B to biller B. As used here, the RPS is merely an alternative to the ACH. Alternatively, **S may send the A/R data** via a separate electronic data interchange to biller B and forward the payment amount via the ACH or RPS mechanisms. In a fourth variation, a combination of the second and third variations, **S sends simultaneous ACH transactions (debit account 22 and credit account 26).**

In such disclosure of Kolling, Kolling fails to teach the decisioning process as set forth in claim 1, i.e., the feature of determining, for each payment transaction, an appropriate clearing system which to forward the payment transaction; and even more so fails to teach such processing performed by a payment router, as recited. There is simply no such decisioning in Kolling so as to teach such claimed features.

Applicant also notes the disclosure of Kolling in column 31, lines 11-53, as cited in the Office Action. Therein, Kolling describes:

... To pay a bill, **consumer 502A sends a bill pay order to processor 506A**. In response to the received bill pay order, processor 506A sends a payment authorization request through system 508 addressed to the consumer's bank. A consumer can use many different types of accounts as the source of funds, but only DDA's are shown explicitly in FIG. 14. Consumer 502A either uses an account at a bank 510A which is directly connected to network 508 or a bank 510B which is only connected through another intervening network such as an ATM network 512. If an account at bank 510A is used, the payment authorization request is received by bank 510A from network 508.

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Applicant submits that such features of Kolling, as described in column 31 also fails to teach the particulars of claim 1. Kolling fails to teach: transmitting the payment transactions from the plurality of branches to a central location within the financial institution; determining, for each payment transaction, an appropriate clearing system which to forward the payment transaction; and forwarding each payment transaction to the determined appropriate clearing system, and even more so fails to teach the further particulars added by the present Amendment. Kolling fails to teach the decisioning to determine the appropriate clearing system vis-à-vis each payment transaction, as recited in claim 1.

Applicant respectfully submits that the applied art fails to teach or suggest the features of claim 1 for at least the reasons set forth above. Further, independent claims 10, 25, and 26 are allowable at least for some of the reasons similar to those discussed above with respect to claim 1.

For example, claim 25 recites the features of:

for each payment transaction, determine an appropriate clearing system which to forward the payment transaction by:

- (a) identifying, for each payment transaction, candidate clearing systems which could be used to forward the payment transaction to the destination bank,
- (b) verifying, at a payment router, that a first candidate clearing system is available for use, and

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(c) verifying, at a flow control module, that a processing of the payment transaction does not exceed a predetermined value limit; and forwarding each payment transaction to the determined appropriate clearing system.

In particular, Kolling fails to teach such processing for *each* payment transaction, including identifying the candidate clearing *systems*, i.e., identifying more than one candidate system for each payment transaction.

The various dependent claims recite patentable subject matter at least for their various dependencies on the independent claims, as well as for the additional subject matter recited in such dependent claims. The Examiner is requested to further consider the various dependent claims.

For example, dependent claim 11 recites sequentially repeating steps (of claim 10) for other candidate clearing systems until one of the other candidate clearing systems satisfies the verification steps; and forwarding the payment transaction to the one other candidate clearing system. The Office Action asserts that Kolling teaches such features, citing to the same sections of Kolling as were relied upon in the rejection of claim 1. However, Applicant submits that Kolling fails to teach such sequential processing. The Examiner is requested to clarify which portion of Kolling allegedly teaches such claimed features.

Also, claim 13 recites features relating to "prioritizing" the candidate clearing systems. The Office Action again cites to the same sections of Kolling as relied upon in the rejection of claim 1. However, Kolling appears fully deficient in teaching such claimed

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features. Clarification is requested as to where Kolling allegedly teaches such claimed features.

Withdrawal of the 35 U.S.C. §102 rejection based on the applied art is respectfully requested.

B. Conclusion

For at least the reasons outlined above, Applicant respectfully asserts that the application is in condition for allowance. Favorable reconsideration and allowance of the claims are respectfully solicited.

For any fees due in connection with filing this Response the Commissioner is hereby authorized to charge the undersigned's Deposit Account No. 50-0206.

Should the Examiner believe anything further is desirable in order to place the application in even better condition for allowance, the Examiner is invited to contact Applicant's undersigned representative at the telephone number listed below.

Dated:

10/16/07

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Respectfully submitted,  
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